

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

Annual Financial Statements
As of and for the Year Ended December 31, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JUL 05 2012

BEAUREGARD PARISH ASSESSOR
DeRidder, Louisiana

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INDEPENDENT AUDITOR'S REPORT

The Honorable Bobby L. Cudd, CLA
Beauregard Parish Assessor
DeRidder, Louisiana

I have audited the accompanying financial statements of the governmental activities, and the major fund of the Beauregard Parish Assessor, a component unit of the Beauregard Parish Police Jury, as of and for the year ended December 31, 2011, which collectively comprise the Beauregard Parish Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Beauregard Parish Assessor's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Beauregard Parish Assessor, as of December 31, 2011, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated March 14, 2012 on my consideration of the Beauregard Parish Assessor's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the budgetary comparison information and other postemployment benefits (OPEB) funding schedule on pages 22 and 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic,

The Honorable Bobby L. Cudd, CLA
Beauregard Parish Assessor
DeRidder, Louisiana
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or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

The Beauregard Parish Assessor has not presented management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Jeffrey L. Windham, CPA

DeRidder, Louisiana
March 14, 2012

BASIC FINANCIAL STATEMENTS

Beauregard Parish Assessor
DeRidder, Louisiana

Statement A

Statement of Net Assets
December 31, 2011

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,190,209
Receivables:	
Ad valorem taxes	873,424
Accounts	-
Prepaid expenses	1,902
Capital assets being depreciated - net	84,994
Total assets	<u>\$ 2,150,529</u>
LIABILITIES	
Accounts payable	\$ 1,238
Long term liabilities	
Due within one year	92,444
Due in more than one year	135,067
Total liabilities	<u>\$ 228,749</u>
NET ASSETS	
Invested in capital asset	\$ 84,994
Unrestricted	1,836,786
Total net assets	<u>\$ 1,921,780</u>
Total liabilities and net assets	<u>\$ 2,150,529</u>

The accompanying notes are an integral part of this statement.

Beauregard Parish Assessor
DeRidder, Louisiana

Statement B

Statement of Activities
For the Year Ended December 31, 2011

		<u>Program Revenues</u>	<u>Net (Expenses) Revenues and Changes</u>
Program Activities	<u>Expenses</u>	<u>Charges for Services</u>	<u>Governmental Activities</u>
Governmental activities:			
Taxation	<u>\$ 784,848</u>	<u>\$ 23,076</u>	<u>\$ (761,772)</u>
General revenues:			
Taxes:			
Ad valorem taxes			883,937
State revenue sharing			59,420
Investment earnings			<u>1,699</u>
Total general revenues			<u>945,056</u>
Change in net assets			<u>183,284</u>
Net assets at beginning of year			<u>1,738,496</u>
Net assets at end of year			<u><u>\$ 1,921,780</u></u>

The accompanying notes are an integral part of the statement.

Beauregard Parish Assessor
DeRidder, Louisiana

Statement C

Balance Sheet
Governmental Funds
December 31, 2011

	<u>Major Fund</u>
	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 1,190,209
Receivables:	
Ad valorem	873,424
Prepaid insurance	1,902
Total assets	<u>\$ 2,065,535</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	<u>\$ 1,238</u>
Fund Balances:	
Non-spendable	
Not in spendable form	\$ 1,902
Unassigned	2,062,395
Total fund balances	<u>\$ 2,064,297</u>
Total liabilities and fund balances	<u>\$ 2,065,535</u>

The accompanying notes are an integral part of this statement.

Beauregard Parish Assessor
DeRidder, Louisiana

Statement D

Reconciliation of the Governmental Funds Balance Sheet
to Statement of Net Assets
December 31, 2011

Total fund balance - total governmental funds	\$ 2,064,297
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	84,994
Other postemployment benefits (OPEB) obligations are reported as long-term liabilities in the government wide financial statements but are not reported in the governmental fund financial statements.	<u>(227,511)</u>
Net assets of governmental activities	<u>\$ 1,921,780</u>

The accompanying notes are an integral part of this statement.

Beauregard Parish Assessor
DeRidder, Louisiana

Statement E

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2011

	Major Fund
	General Fund
Revenues	
Taxes:	
Ad valorem	\$ 883,937
Intergovernmental:	
State revenue sharing	59,420
Charges for services	23,076
Investment income	1,699
Total revenues	<u>\$ 968,132</u>
Expenditures	
General government - taxation	
Salaries and related benefits	\$ 586,108
Conferences and travel	35,397
Insurance	8,912
Office supplies	23,128
Contracted services	37,269
Legal and accounting	8,060
Total expenditures	<u>\$ 698,874</u>
Net change in fund balance	\$ 269,258
Fund balances at beginning of year	<u>1,795,039</u>
Fund balances at end of year	<u><u>\$ 2,064,297</u></u>

The accompanying notes are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
For the Year Ended December 31, 2011

Net change in fund balances - total governmental funds	\$	269,258
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Amounts reported for governmental activities in the
statement of activities are different because:

Depreciation expense on capital assets is reported in the government- wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.	(13,869)
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Governmental funds do not report net change in other postemployment benefits (OPEB) obligations. However, this obligation does appear in the Statement of Activities since the payable is reported on the Statement of Net Assets	<u>(72,105)</u>
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Change in net assets of governmental activities	<u>\$</u>	<u>183,284</u>
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The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Beauregard Parish Assessor
DeRidder, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2011

INTRODUCTION

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the assessor is elected by the voters of the parish and serves a four-year term. The assessor assesses all real and movable property in the parish, subject to ad valorem taxation. The assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and provides assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and pecuniarily responsible for the actions of the deputies.

The assessor's office is located in the Beauregard Parish Police Jury's building in DeRidder, Louisiana. The assessor employs eight employees, including seven deputies. In accordance with Louisiana law, the assessor bases real property, movable property, and public service property assessments on conditions existing on January 1 of the tax year. The assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by law. Once the assessment listing is approved, the assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

At December 31, 2011, there are 39,201 real property, movable property, and public service property assessments totaling \$120,953,020, \$98,208,819, and \$37,674,710 respectively. This represents an increase of 403 assessments totaling \$11,970,436 over the prior year, caused primarily by the increasing number of new businesses along with an increase in the mileage rate in the parish during the year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Beauregard Parish Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

The assessor is an independently elected official; however, the assessor is fiscally dependent on the Beauregard Parish Police Jury. The police jury maintains and operates the parish building in which the assessor's office is located and provides funds for equipment and furniture of the assessor's office. In addition, the police jury's general purpose financial statements would be incomplete or misleading without inclusion of the assessor. For these reasons, the assessor was determined to be a component unit of the Beauregard Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the assessor and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The assessor uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain tax assessment functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Beauregard Parish Assessor
DeRidder, Louisiana
Notes to Financial Statements (Continued)

Governmental Funds

Governmental funds account for all or most of the assessor's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the assessor. The following is the assessor's governmental fund:

General Fund - the primary operating fund of the assessor and it accounts for all financial resources, except for those in another fund. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the assessor's policy.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund of Statements C and E are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled to a government-wide view of the assessor's operations.

The amounts reflected in the General Fund of Statements C and E use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Fees for preparing tax rolls are recorded in the year prepared. Interest income on time deposits is recorded when the time deposits have matured. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, ad valorem taxes, state revenue sharing, and fees for preparing tax rolls have been treated as susceptible to accrual.

Beauregard Parish Assessor
DeRidder, Louisiana
Notes to Financial Statements (Continued)

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) display information about the assessor as a whole. These statements include all the financial activities of the assessor. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the column labeled Statement of Activities (Statement B) are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the assessor's general revenues.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, and then unrestricted resources, as they are needed.

The assessor has not established a policy for use of the unrestricted fund balance, therefore it considers committed fund balances to be used first, then assigned fund balances to be used next and finally the unassigned fund balance will be used.

E. BUDGETS

The assessor uses the following budget practices:

1. The assessor prepares a proposed operating budget no later than fifteen days prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and the means of financing them. For the fiscal year beginning January 1, 2011 and ending December 31, 2011 the budget was prepared on December 15, 2010 and the public hearing was called for. After the public hearing was held, the budget was adopted by the assessor.
2. Budgetary appropriations lapse at the end of each fiscal year.
3. The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended by the Assessor.
4. Amendments to the budget are approved by the assessor. The original budget is amended as necessary and all amendments are reflected in the budget comparisons in the financial statements.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund.

Beauregard Parish Assessor
DeRidder, Louisiana
Notes to Financial Statements (Continued)

EXCESS OF EXPENDITURES OVER APPROPRIATIONS The following individual fund had actual expenditures over budgeted appropriations for the year ended December 31, 2011.

Fund	Original Budget	Final Budget	Actual	Unfavorable Variance
<u>General Fund</u>	<u>\$ 696,966</u>	<u>\$ 696,794</u>	<u>\$ 698,874</u>	<u>\$ (2,080)</u>

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the assessor may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments for the assessor are reported at fair value. The state investment pool (LAMP) operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

G. PREPAID ITEMS

Premium payments for insurance costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements

H. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The assessor maintains a threshold level of \$900 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Improvements	5-20 years
Machinery and equipment	3-20 years
Furniture and fixtures	5-10 years
Vehicles	5 years

I. COMPENSATED ABSENCES

Vacation and Emergency Leave Plan

Vacation days are earned in the current year, to be taken the year following the year earned.

- (a) 1st year – no vacation allowed during the first 12 months of employment.
- (b) 2nd year thru 12th10 days
- (c) 13th year thru 20th year15 days

Beauregard Parish Assessor
DeRidder, Louisiana
Notes to Financial Statements (Continued)

This time does not accumulate if not used by December 31st it is lost.

Vacations are tentatively scheduled by April 1st of each year and to be used by December 31st of each year. No vacation is to be scheduled without 30 days' notice.

Employees are to designate time according to seniority and work section of the office. No more than one person is to be on vacation at one time.

Emergency Leave

Emergency Leave is earned in the current year ½-day per month or 6 days.

This Emergency leave is for personal illness, family illness and other personal problems of an emergency nature. Employees are to report to the assessor for emergency leave. Employees are not to take time off for ordinary personal business; nor do they have the privilege of choosing the days they wish to work.

Time-Off Days, hours, minutes (unless specified as vacation) will be charged here first, but time may be charged against vacation leave, the decision is to be made known at this time.

If the 6 days are used, further days off will, at the employees option (1) charged against vacation leave, or (2) employee will lose their salary for that time.

It is to be understood that employees have no automatic right to take leave (other than emergency) with or without pay.

J. FUND BALANCES

Nonspendable The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. As for the Beauregard Parish Assessor the nonspendable fund balance consists of prepaid amounts of insurance premiums.

Unassigned Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

K. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the assessor, which are either unusual in nature or infrequent in occurrence.

L. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

Beauregard Parish Assessor
DeRidder, Louisiana
Notes to Financial Statements (Continued)

2. LEVIED TAXES

The Assessor levies taxes on real and business personal property located within the boundaries of the assessment district. Property taxes are levied by the Assessor on property values assessed by the Beauregard Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Beauregard Parish Sheriff and Ex-Officio Tax Collector bills and collects property taxes for the Assessor. Collections are remitted to the Assessor monthly. The Assessor recognizes property tax revenues when levied.

Property Tax Calendar	
Assessment date	January 1, 2011
Levy date	June 30, 2011
Tax bills mailed	October 15, 2011
Total taxes are due	December 31, 2011
Penalties & interest due	January 31, 2012
Lien date	January 31, 2012
Tax sale	May 31, 2012

For the year ended December 31, 2011, taxes of 4.31 mills were levied on property with an assessed valuation totaling \$256,836,558, and were dedicated as follows:

<u>Taxes due for:</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General Operations	4.31	4.31	Renewed Annually

All trade and property tax receivables are shown net of an allowance for uncollectibles. Property taxes are collected and remitted by the local sheriff, if taxes are not paid, a sheriff's sale is held and the property is sold to satisfy the taxes due on the property. Due to this, the majority, if not all property taxes are collected, therefore no allowance account for uncollectibles has been established.

The following are the principal taxpayers and related property tax revenue for the assessor:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Ad Valorem Tax Revenue for the Assessor</u>
Boise Packaging and News Print	Manufacturer	\$ 38,198,285	14.87%	\$ 164,635

3. CASH AND CASH EQUIVALENTS

At December 31, 2011, the assessor has cash and cash equivalents (book balances) totaling \$1,190,209 as follows:

Louisiana Asset Management Pool (LAMP)	\$ 1,131,595
Interest-bearing demand deposits	58,614
Total	<u>\$ 1,190,209</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by

Beauregard Parish Assessor
DeRidder, Louisiana
Notes to Financial Statements (Continued)

the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2011, the assessor has \$70,202 in deposits (collected bank balances). These deposits are secured from risk by \$70,202 of federal deposit.

The Assessor also had invested \$1,131,595 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP as of December 31, 2011 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than three months, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

4. RECEIVABLES

The receivables of \$873,424 at December 31, 2011, are as follows:

<u>Class of Receivable</u>	
Taxes:	
Ad valorem	<u>\$ 873,424</u>

Beauregard Parish Assessor
DeRidder, Louisiana
Notes to Financial Statements (Continued)

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2011, is as follows:

Governmental Activities	Balance January 1, 2011	Additions	Deletions	Balance December 31, 2011
Vehicle	\$ 32,986	\$ -	\$ -	\$ 32,986
Machinery and equipment	47,712	-	-	47,712
Improvements other than buildings	58,613	-	-	58,613
Furniture and fixtures	3,170	-	-	3,170
Total	<u>142,481</u>	<u>-</u>	<u>-</u>	<u>142,481</u>
Less accumulated depreciation				
Vehicle	550	6,597	-	7,147
Machinery and equipment	34,026	4,076	-	38,102
Improvements other than buildings	7,327	2,931	-	10,258
Furniture and fixtures	1,715	265	-	1,980
Total	<u>43,618</u>	<u>13,869</u>	<u>-</u>	<u>57,487</u>
Capital assets, net	<u>\$ 98,863</u>	<u>\$ (13,869)</u>	<u>\$ -</u>	<u>\$ 84,994</u>

6. PENSION PLAN

Plan Description. Substantially all employees of the Beauregard Parish Assessor's office are members of the Louisiana Assessors' Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3.34% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, Post Office Box 1786, Shreveport, Louisiana 71166-1786, or by calling (318) 425-4446.

Funding Policy. Plan members are required by state statute to contribute 8.0% of their annual covered salary and the Beauregard Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 13.5% of annual covered payroll. Contributions to the System also include one-fourth of 1% (1% for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the

Beauregard Parish Assessor
DeRidder, Louisiana
Notes to Financial Statements (Continued)

Beauregard Parish Assessor are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Beauregard Parish Assessor's contributions to the System for the years ending December 31, 2011, 2010, and 2009, were \$57,797, \$56,859, and \$53,288, respectively, equal to the required contributions for each year.

7. OTHER POSTEMPLOYMENT BENEFITS

The assessor provides certain continuing health care and life insurance benefits for the assessor's retired employees. Substantially, all of the assessor's employees become eligible for these benefits if they reach normal retirement age while working for the assessor. Those benefits for retirees are provided through Healthmart Inc. whose monthly premiums are paid by the assessor. The assessor pays the premiums on a "pay-as-you-go" basis. For the year ended December 31, 2011, there was one retiree and the costs of the benefits totaled \$20,339.

The assessor's Annual Required Contributions ("ARC") is an amount actuarially-determined in accordance with GASB 45, which is being implemented prospectively for the year ended December 31, 2011. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize the beginning Unfunded Actuarial Accrued Liability ("UAAL") over a period of 30 years. A 30 year, closed amortization period has been used with a level-dollar amortization factor. The total ARC for the fiscal year 2011 is \$95,215 consists of normal cost of \$38,290 and amortization of UAAL of \$56,925.

The following table presents the assessor's OPEB obligation for the year ended December 31, 2011.

Beginning OPEB obligation at January 1, 2011	\$ 155,406
Annual Required Contribution	95,215
Interest on prior year obligation	6,216
ARC adjustment	(8,987)
Annual OPEB cost	92,444
Less: current year premiums paid	(20,339)
Increase in net OPEB obligation	72,105
Ending net OPEB obligation at December 31, 2011	\$ 227,511

Utilizing the pay-as-you-go method, the assessor contributed 22.00% of the annual OPEB cost during 2011.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long term perspective of the calculations. In the December 31, 2011 actuarial valuation, the "Closed Group" method was used, employees and retirees as of the valuation date were used and employees to be

Beauregard Parish Assessor
DeRidder, Louisiana
Notes to Financial Statements (Concluded)

hired in the future were not considered. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 6.60% initially, reduced by decrements to an ultimate rate of 4.5% after seventy-six years. The RP-2000 mortality table projected to 2010 using Scale AA was used in the actuarial calculation. An inservice-related turnover scale was used for MERS and FFRS participants and an age-related turnover scale was used for MPERS participants. The remaining amortization period at December 31, 2011 was 27 years.

8. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$1,238 at December 31, 2011, are as follows:

	<u>General Fund</u>
Accounts	<u>\$ 1,238</u>

9. DEFERRED COMPENSATION PLAN

The Beauregard Parish Assessor offers its employees participation in the State of Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. The plan, available to all Assessor employees, permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

The assets of the plan are held in trust as described in the IRC section 457(g) for the exclusive benefit of the participants and their beneficiaries. The custodian thereof for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this plan, and the assets may not be diverted to any other use. The administrators are agents of the employer for the purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, and all other matters.

Complete disclosures relating to the plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana, 70804-9397.

10. EXPENDITURES OF THE ASSESSOR'S OFFICE PAID BY THE POLICE JURY

The assessor's office was located in the parish courthouse until July 1, 2008. The assessor's office is now located in the Beauregard Parish owned building located at 214 West 2nd Street. The cost of operating that building is paid by the Beauregard Parish Police Jury.

REQUIRED SUPPLEMENTAL INFORMATION

Beauregard Parish Assessor
DeRidder, Louisiana

Schedule 1

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amount Budgetary Basis	Budget to GAAP differences over (under)	Actual Amount GAAP Basis
	Original	Final			
Revenues					
Taxes:					
Ad valorem	\$ 874,950	\$ 884,000	\$ 883,937	\$ (63)	\$ 883,937
Intergovernmental:					
State revenue sharing	54,774	59,420	59,420	-	59,420
Charges for services	9,280	22,397	23,076	679	23,076
Investment income	2,144	2,000	1,699	(301)	1,699
Total revenues	\$ 941,148	\$ 967,817	\$ 968,132	\$ 315	\$ 968,132
Expenditures					
General government - taxation					
Salaries and related benefits	\$ 580,542	\$ 583,500	\$ 586,108	\$ (2,608)	\$ 586,108
Conferences and travel	32,000	38,850	35,397	3,453	35,397
Insurance	9,000	8,900	8,912	(12)	8,912
Office supplies	27,001	28,100	23,128	4,972	23,128
Contracted services	25,338	28,944	37,269	(8,325)	37,269
Legal and accounting	8,085	8,500	8,060	440	8,060
Capital outlay	15,000	-	-	-	-
Total expenditures	\$ 696,966	\$ 696,794	\$ 698,874	\$ (2,080)	\$ 698,874
Net change in fund balance	\$ 244,182	\$ 271,023	\$ 269,258	\$ (1,765)	\$ 269,258
Fund balances at beginning of year	1,785,221	1,795,039	1,795,039	-	1,795,039
Fund balances at end of year	\$ 2,029,403	\$ 2,066,062	\$ 2,064,297	\$ (1,765)	\$ 2,064,297

Beauregard Parish Assessor
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Schedule 2

Other Postemployment Benefits (OPEB)
Funding Schedule
For the Year Ended December 31, 2011

The funded status of the plan as of December 31, 2011, was as follows:

Schedule of Funding Progress (4.0 % discount rate)

Actuarial Valuation Date	Actuarial Value of Assets	Discount Rate	Actuarial Accrued Liabilities (AAL) (1)	Unfunded Actuarial Accrued Liabilities (UAAL) (2)	Funded Ratio
January 1, 2009	-	4.00%	\$ 984,355	\$ 984,355	0.00%
January 1, 2010	-	4.00%	\$ 984,355	\$ 984,355	0.00%
January 1, 2011	-	4.00%	\$ 984,355	\$ 984,355	0.00%

(1) Actuarial Accrued Liability determined under the projected unit credit cost method.

(2) Actuarial Accrued Liability less Actuarial Value of Assets.

OTHER REPORTS

Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2011

There were no prior year audit findings as December 31, 2010.

Schedule of Current Year Audit Findings and Management's Response
For the Year Ended December 31, 2011

There were no current year audit findings as of December 31, 2011.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Bobby L. Cudd, CLA
Beauregard Parish Assessor
DeRidder, Louisiana

I have audited the financial statements of the governmental activities and the major fund of the Beauregard Parish Assessor as of and for the year ended December 31, 2011 which collectively comprise the Beauregard Parish Assessor's financial statements and have issued my report thereon dated March 14, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered the Beauregard Parish Assessor's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Beauregard Parish Assessor's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Beauregard Parish Assessor's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Beauregard Parish Assessor's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Honorable Bobby L. Cudd, CLA
Beauregard Parish Assessor
DeRidder, Louisiana

This report is intended solely for the information and use of the assessor, others within the entity, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties, although under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Jeffrey L. Windham, CPA

DeRidder, Louisiana
March 14, 2012